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TAGS: <u>EAID</u> <u>EFIN PGOV EAGR</u> <u>ECON ETRD TX US</u>
SUBJECT: U.S. ASSISTANCE COORDINATOR ADAMS' MEETING WITH AGRICULTURE
MINISTER AND WATER MANAGEMENT DEPUTY MINISTER

Summary

11. (SBU) EUR/ACE Coordinator Adams and delegation heard upbeat accounts of farming-sector developments from Turkmenistan's Agriculture Minister, Esenmyrat Orazgeldiyev, on January 31. Without mentioning recent years' notorious crop shortfalls and other problems, Orazgeldiyev depicted his sector as being in generally sturdy shape, though he referred to the "fundamental reforms" that the March session of the Halk Maslahaty (People's Council) has been convened to enact. Also present was Turkmenistan's First Deputy Minister for Water Resources, Myratgeldy Akmamedov, whose long description of the Great (artificial) Turkmenistan Lake project was neither fresh nor enlightening, and left questions regarding its viability. End Summary.

Turkmenistan's Agricultural Sector: Untroubled by Problems

12. (SBU) The meeting was the USG's first with a Minister of Agriculture in over two years (though embassy has regularly requested meetings). Adams noted that the size of his delegation demonstrated the level of U.S. interest in finding broader ways to cooperate with Turkmenistan. Orazgeldiyev welcomed his visitors heartily and launched into a depiction of the importance and state of the nation's agriculture sector. The November 2004 Land Code, a "cornerstone," according to Orazgeldiyev, had been developed to define legal relations between the cultivator and the government. Discussing the land law's application to leasing rights for up to three hectares for private cultivation, the Head of the State Service on Land Resources, Gurbandurdy Atagarriyev, added that the law also allowed leases of land for approved non-farming purposes, but provided for its withdrawal if not properly used. Irrigation water was another requirement. "We have solved all our problems in that sphere," the minister claimed. He nimbly touched upon Turkmenistan's purchases of U.S. tractors and other farm equipment.

But Agriculture Minister Remains Interested in Cooperation

¶3. (U) Adams noted the recent presidential directives for a new agricultural strategy, and highlighted several successful U.S. programs supporting this sector, including Cochran program fellowships and USAID's Community Connections program, which had two agricultural-focused programs scheduled this year. USAID Regional Administrator Chris Crowley noted USAID's existing support for private agriculture via greenhouse development and the Farmer-to-Farmer exchange program, and offered that the USG "stands ready, if you desire, to provide assistance in the broad area of agricultural policy" under a new agribusiness program scheduled to launch later in 2007. The minister replied appreciatively: "Our goal is to strengthen our efficiency. We are very interested in gaining international knowledge." Without mentioning specifics, he referred to a number of programs being carried out on rational use of water and land resources, including desalination and water recycling.

Altyn Asyr Lake: The Great Hope for Better Water Management

- 14. (U) At this point, the First Deputy Minister of Water Resources took over. Turkmenistan had developed a new Water Code along with the Land Law, he pointed out. Now, his ministry was working on a number of projects to improve the efficiency of irrigation and quality of farmland. A new plastic-pipe factory allowed large-scale drip irrigation. His ministry was also considering ways of recycling water used for crop production. This had been called for by a Niyazov decree in 2000.
- 15. The deputy minister then segued into a ten-minute lecture, supported by maps and pointer, on the design and construction of the artificial Altyn Asyr Lake (in the middle of the Garagum Desert), complete with references to fish-farms, bridges, railroads, and plans to develop salt-absorbing plants to clean the water naturally.

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Crowley asked if desalination (industrial) plants were part of the system. The deputy minister answered that "sand is the natural filter." Crowley said that the lake's construction seemed to leave untackled the overall question of managing the supply of good water. Even once the multi-billion dollar system was in place, there would be a need for appropriate management so as not simply to continue leaching. Achieving that aim could be better accomplished via small-scale private farmers, who could find their own financial resources, rather than by the central government, Crowley suggested. Seeming initially baffled at the notion, the deputy minister answered cheerfully that "the government has all necessary resources." He then reassured his visitors that "from now on our ministry is willing to work with you on these (sic) projects." Adams, concluding, solicited concrete proposals.

## Comment

16. (SBU) The Minister of Agriculture's welcome and openness to questions during this meeting could hardly have been more cheerful. Half a dozen times he repeated the mantra that his ministry wanted to work in any feasible way with outsiders to boost his sector. At the same time, we perceived a vast reality gap between the picture he and his colleagues were painting and the notorious actual state of local agriculture. Next to nothing squared with the dismal long-term trends which caused Niyazov last autumn to require the convocation of an extraordinary session of the Halk Maslahaty next month for the acknowledged sole purpose of laying out a "fundamental reform" of the sector. Officials were anxious to display that they were well-disposed to outside expertise and programs, but their lack of experience in modern agriculture, and devotion to state-run solutions, demonstrates the low baseline for any real discussion of agricultural reform. End Comment.

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